

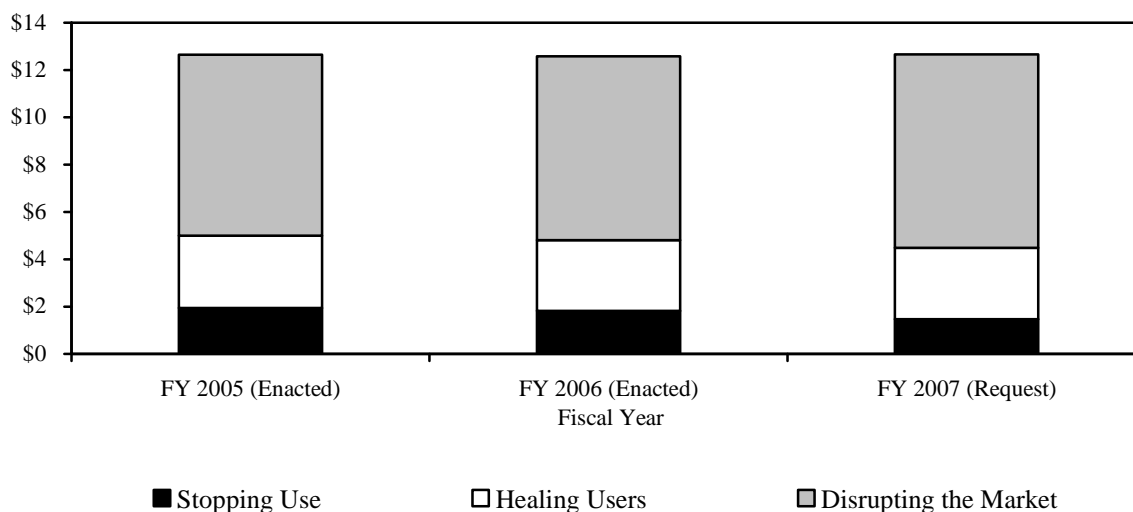
I. EXECUTIVE SUMMARY

The President's Fiscal Year (FY) 2007 Budget provides resources for reducing illegal drug use in the United States. Reducing drug use requires an investment in programs that discourage the use of drugs that help those in need of treatment and law enforcement programs that target those trying to supply illicit drugs to the marketplace.

The proposed funding levels support the three key priorities of the *National Drug Control Strategy* (*Strategy*). Priority I—Stopping Use Before it Starts: Education and Community Action—receives support for effective programs to help communities obtain a drug-free environment and encourage young people to reject drug use. Priority II—Intervening and Healing America's Drug Users—continues to focus on ensuring that treatment is available for those who need it. This budget expands access and choice to a wider array of innovative treatment options including those services offered by faith-based organizations. The Strategy's Priority III—Disrupting the Market—targets individuals and organizations profiting from trafficking in illegal drugs. The budget provides resources to strengthen and focus market disruption efforts while at the same time dedicating new resources for emerging threats.

In total, recommended funding for FY 2007 is \$12.7 billion, an increase of \$80.6 million over the FY 2006 enacted level of \$12.5 billion (Figure 1).

Figure 1: National Drug Control Budget (\$ Billions)



The budgets of the Departments of Health and Human Services, Education, and Transportation, the U.S. Small Business Administration and the Office of National Drug Control Policy (ONDCP) include funding to support important prevention and treatment efforts. Funding for supply reduction in the Departments of Homeland Security, Justice, State, Treasury and Defense support operations targeting the economic basis of the drug trade, domestic and international sources of illegal drugs, and trafficking routes to and within the United States. The budget includes significant resources to aid drug supply reduction efforts in Afghanistan, while maintaining funding for Colombia and the Andean region.

FUNDING HIGHLIGHTS BY PRIORITY

Priority I—Stopping Use Before it Starts: Education and Community Action

- **Department of Education—Student Drug Testing: \$15.0 million (+\$4.6 million).** The President's FY 2007 budget proposes an increase of \$4.6 million for student drug testing programs. This initiative provides competitive grants to support schools in the design and implementation of programs to screen randomly selected students and to intervene with assessment, referral, and intervention for students whose test results indicate they have used illicit drugs. The \$10.4 million in funding made available in FY 2006 will have a tremendous impact on the schools that implement a drug testing program. These efforts will send a message that local community leaders care enough to help those students showing warning signs of drug abuse and that they want to provide a drug-free learning environment to all students. With increased funding in FY 2007, more schools will have access to this powerful tool.
- **Department of Education—Research-Based Grant Assistance to Local Educational Agencies: +\$52.0 million.** The President's Budget does not include funding for the Safe and Drug-Free Schools State Grant Program, which was rated as "Ineffective" by the PART due to the program's inability to demonstrate effectiveness and the fact that grant funds are spread too thinly to support quality interventions. The Budget requests \$52 million for a new program which will provide grants to Local Educational Agencies for Research-Based Assistance for drug prevention and school safety programs. Under this proposed new activity, grantees would be required either to carry out one or more programs, practices, or interventions that rigorous evaluation has demonstrated to be effective, or to carry out a rigorous evaluation of a promising program, practice, or intervention to test its effectiveness, and thereby increase the knowledge base of what works in the field.
- **Office of National Drug Control Policy—Media Campaign: \$120.0 million (+\$21.0 million).** This funding will restore effective levels of advertising time and space for general and ethnic audiences and to deliver the Media Campaign's other essential communications programs to encourage the adoption of anti-drug attitudes and strategies by the nation's youth and their parents.

Priority II—Intervening and Healing America's Drug Users

- **National Institute on Drug Abuse (NIDA)—Developing New Ways to Treat Methamphetamine Addiction: \$41.6 million.** The FY 2007 Budget will continue research on methamphetamine's mechanism of action, physical and behavioral effects, risk and protective factors, prevention and treatment interventions. NIDA will continue to support the development and testing of medications for methamphetamine addiction, overdose, and the consequences of methamphetamine abuse through research grants and contracts (i.e., NIDA's Methamphetamine Clinical Trials Group, which conducts clinical trials of promising medications for methamphetamine addiction in geographic areas in which its abuse is particularly high.) Through NIDA's involvement with National Synthetic Drugs Action Plan and other interagency collaborative activities, NIDA continues its research dissemination efforts to reduce the lag between discovery and incorporation of science into practice.

- **Substance Abuse and Mental Health Services Administration (SAMHSA)—Expanding Choice.** As part of the President’s efforts to expand choice and individual empowerment in federal assistance programs, the Administration will offer incentives to encourage states to provide a wider array of innovative treatment options to those in need of recovery by voluntarily using their Substance Abuse Block Grant funds for drug treatment vouchers. Building on the successful model of the Access to Recovery program, distribution of block grant funds through a voucher system will promote innovative drug and alcohol treatment and recovery programs, provide a wider array of treatment and recovery support options – including those that are faith based, and introduce into the system greater accountability and flexibility.

One example of expanding choice in treatment is Missouri, where officials have transformed their state-wide drug treatment services program including the Substance Abuse Block Grant allocations into an “Access to Recovery-like” system so that all public treatment within the state is paid for with a voucher. Missouri made the decision to convert all treatment services funding streams into a voucher system to ensure maximum potential for client choice. The Administration will also look for new opportunities to expand choice in other drug treatment activities.

- **Substance Abuse and Mental Health Services Administration (SAMHSA)—Access to Recovery: \$98.2 million.** Choice is a major component of the ATR initiative. Individuals receiving treatment and recovery services under this program can choose which providers, including faith-based providers, they would like to assist them in their recovery process. Through its innovative approach to expanding access to treatment and recovery services, this program represents the next step in the Nation’s efforts to improve treatment for those suffering with drug dependence and addiction. This includes \$24.8 million for an ATR-Methamphetamine initiative.
- **Office of Justice Programs—Drug Court Program: \$69.2 million (+\$59.3 million):** The Drug Court Program provides alternatives to incarceration by using the coercive power of the court to force abstinence and alter behavior with a combination of escalating sanctions, mandatory drug testing, treatment, and strong aftercare programs. The long-term direction of the Drug Court Program is shifting from an emphasis on creating new drug courts to improving state and local capacity to enhance and sustain existing ones. In furthering the goal of improving state and local capacity to enhance existing drug courts, the program will direct requested funding toward capacity expansion.

Priority III—Disrupting the Market

- **Department of State—Andean Counterdrug Initiative (ACI): \$721.5 million.** This request will fund projects needed to continue enforcement, border control, crop reduction, alternative development, institution building, administration of justice, and human rights programs in the region. The ACI budget provides support to Colombia, Peru, Bolivia, Ecuador, Brazil, Venezuela and Panama. Included in the FY 2007 ACI request is \$65.7 million for the Critical Flight Safety Program, a \$35.7 million increase over the FY 2006 enacted level. The program will extend the life of Vietnam-era aircraft in order to maintain a viable fleet.

- **Department of State—Providing Afghanistan Counterdrug Support: \$297.4 million (+\$123.2 million).** The President’s Budget supports counternarcotics programs in Afghanistan. Funds will be used to expand the opium poppy elimination program from 12 to 14 provinces, providing coverage for 90 percent of the territory where the poppy crop is grown. In addition, the program will support drug enforcement and interdiction programs, public diplomacy efforts, drug demand reduction programs, drug control capacity building, and justice sector reform.
- **Customs and Border Protection—Secure Border Initiative: +\$152.4 million.** To achieve operational control over the nation’s borders, as well as to implement a substantial deterrent to illegal crossings, significant funding is provided to support an integrated border initiative, which relies on expanded agent staffing, border infrastructure, and technology (although the drug-related attribution for the Secure Border Initiative is \$152.4 million, the total increase in CBP’s budget for this proposal is \$639.0 million). Specific components of this enhancement include:
 - **Increased Border Patrol Presence: +\$109.0 million.** This proposal will fund the hiring, training and equipment for 1,500 new Border Patrol Agents and 506 mission support personnel. It will also provide for relocation and sector information technology system upgrades in support of the new agents and equip the Border Patrol Academy with sufficient infrastructure, technology, and instructors to accommodate the increased number of agents.
 - **Secure Border Initiative Technology: +\$24.0 million.** This component will substantially expand purchases of critically needed border technology infrastructure between the nation’s ports of entry.
 - **Western Arizona Tactical Infrastructure: +\$12.2 million.** This proposal will fund the construction of approximately 39 miles of permanent vehicle barriers in the Western Arizona sector.
 - **San Diego Border Infrastructure System: +\$7.2 million.** These resources will fund land acquisition and construct the San Diego Border Infrastructure system (BIS) project that includes multiple fences, lighting, and patrols roads, enabling quick enforcement response.
- **Community Oriented Policing Services (COPS)—Cleaning up Methamphetamine Laboratories: \$40.1 million (+\$20.3 million)** – The President’s budget supports methamphetamine laboratories cleanup program to respond to all requests to clean up methamphetamine labs seized by state and local law enforcement, as well as fund the startup costs for additional state container programs. Although funded under COPS, this cleanup program is administered by DEA.

- **Drug Enforcement Administration—Intelligence and National Security Requirements:** This initiative includes 57 positions and \$12.0 million to enhance DEA’s ability to target and focus its Human Intelligence resources on national security issues and to establish a set of procedures that will facilitate information sharing with the Intelligence Community and other law enforcement agencies.
- **Drug Enforcement Administration—Drug Flow Prevention: +\$12.8 million.** This initiative implements an innovative, multi-agency strategy, designed to disrupt significantly the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. It includes two components:
 - **Foreign-deployed Advisory Support Teams (FAST):** This proposal requests \$7.5 million in non-personnel resources to establish permanent funding for DEA FAST programs operating in Afghanistan and to create an additional FAST program in the Western Hemisphere.
 - **Operation Panama Express:** The President’s Budget includes 10 positions and \$5.3 million to enhance DEA’s enforcement operations overseas, through the expansion of Operation *Panama Express*.

CHANGES TO THE NATIONAL DRUG CONTROL BUDGET

The drug control funding data presented in this volume incorporate three modifications to drug control budget methodologies from prior years. These adjustments reflect a refinement in one Agency’s accounting system, and a program transfer to improve efficiency. This section summarizes key changes to the presentation of agency data in the *FY 2007 Budget Summary*.

- **Department of Veterans Affairs:** The Department of Veterans Affairs (VA), Veterans Health Administration, has modified its methodology for calculating drug treatment costs within the VA system. VA’s drug budget includes all costs generated by the treatment of patients with drug use disorders treated in specialized substance abuse treatment programs. Beginning this year, the 2005 actual cost levels are based on the Decision Support System (DSS) which has replaced the Cost Distribution Report (CDR). The primary difference between DSS and the CDR is that the DSS permits a patient-centered accounting of costs. In the DSS, costs are reported by the total number of encounters and permits calculating the full cost of patient encounters rather than accounting for costs by treatment setting. The FY 2007 request using DSS are estimated at \$439.2 million.
- **Office of National Drug Control Policy:** In FY 2007, the President’s Budget requests \$207.6 million for the High Intensity Drug Trafficking Areas (HIDTA) Program. These resources for HIDTA will be administered by the Department of Justice. The HIDTA Program was established by the Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy’s reauthorization, P.L. 105-277, to coordinate the drug control efforts of federal, state and local law enforcement entities in critical regions most adversely affected by drug trafficking. The HIDTA Program’s move to the Department of Justice will enable the HIDTAs to target the drug trade in a strategic manner that complements the

OCDETF Program, and that preserves the HIDTA program's strongest elements, such as intelligence sharing and fostering coordination among state and local law enforcement.

- **Department of State:** The Department of State Bureau of International Narcotics Control and Law Enforcement operates programs which support other nation's narcotics control and law enforcement. Each is reviewed annually and those having a drug control nexus are included in the drug control budget. The programs for Afghanistan include a program area, Administration of Justice, which has grown in 2006 and 2007 and developed into a program mostly supporting Afghanistan's counterdrug efforts and now considered part of the international drug control function. This had been considered a law enforcement program area and was not reflected in the prior years drug control budget.

PROGRAM PERFORMANCE

This Budget Summary, in furtherance of the Administration's commitment to integrating performance data more closely with budgets, moves away from the usual description of meetings and other outputs to a more results-oriented focus. Specifically, the Performance sections for each agency are drawn from their Government Performance and Results Act (GPRA) documents, in particular the FY 2005 Performance and Accountability Report and the Program Assessment Rating Tool (PART) results. Additional information from budget justifications and internal management documents are included where appropriate.

The Administration's emphasis on integrating budget and performance was institutionalized through an annual assessment of federal programs as part of the budget process. The PART is used to review a set of federal programs every year. It evaluates a program's purpose, planning, management, and results to determine its overall effectiveness rating. Along each of these four dimensions, a program may receive a score from 0 to 100. It is an accountability tool that attempts to determine the strengths and weaknesses of federal programs with an emphasis on the results produced. During 2002, eight federal drug control programs were rated, and in 2003, an additional four programs were reviewed. In 2004, three programs were assessed and in the FY 2005 cycle one more program was assessed, bringing the total to 52 percent of the drug control budget.

The Performance sections in this document present PART scores and the year of the review for each program. They also display performance targets and actual accomplishments, as reflected in agency GPRA documents. Outputs reflect the program products and services whereas outcomes reflect desired results. Supplementary qualitative information also is provided.